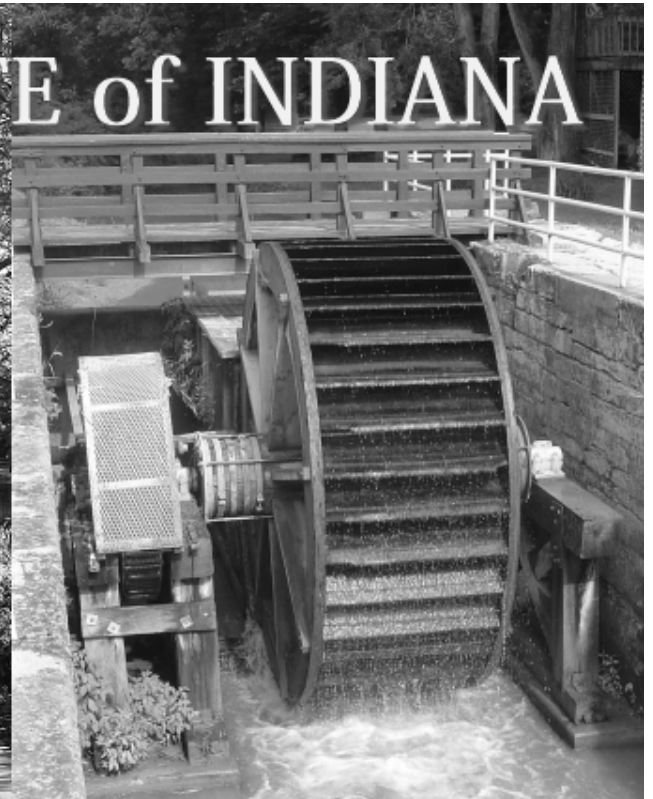




Loan Broker Legislative Update

Indiana Secretary of State
September 28, 2009



STATE of INDIANA

Today's Presentation

- Examination violations discovered
- Legislative Update
 - House Enrolled Act 1646
- Web Site navigation
 - Statutes
 - “E” Newsletter
- NMLS Renewal
- Web Site navigation
 - Licensing and renewal

Loan Broker License Required

- IC 23-2-5-4
License to engage in loan brokerage
business required.

Un-registered Originators

- IC 23-2-5-20.5: A person licensed under this chapter shall not employ a person to engage in origination activities until that person is registered with the Division as either a Principal Manager or a Loan Originator.

Branch Office

- IC 23-2-5-20.5: Origination activities; registration required; registered principal manager required at each location. (b) A person licensed or required to be licensed as a loan broker under this chapter shall not operate any principal or branch office of a loan brokerage business without employing a registered principal manager at that location.

Loan Broker Agreement

- IC 23-2-5-9: Does loan broker have borrowers sign an Indiana loan broker agreement which contains the appropriate language?

License & Registration Numbers

- IC 23-2-5-23: Any document delivered or required to be delivered by a person licensed or required to be licensed to a borrower or prospective borrower must contain: (1) the license number of the loan broker; and (2) the registration number of each originator or principal manager.

Account Numbers

- IC 23-2-5-18 Sec. 18. (a) Each loan broker agreement shall be given an account number.

Credit Report Fees

- 710 IAC 1-22-6 Fees: (2) Credit report fees, if applicable, shall be limited to the actual cost of the report, the amount of which was paid to a third party.

Change in Material Fact

- 710 IAC 1-22-8 Material facts

Sec. 8. As used in IC 23-2-5, "material fact" includes, but is not limited to, the following:

(1) The address of the following:

(A) A principal place of business.

Change in Material Fact

- IC 23-2-5-10- (i): If a material fact or statement included in an application under this chapter changes after the application has been submitted, the applicant shall provide written notice to the commissioner of the change.

Record Retention

- IC 23-2-5-18

Account numbers; records; retention; breach of security of records; disclosure requirements; disposal of personal information: b) The records listed in subsection (a) shall be kept for a period of two (2) years in the loan broker's principal office and must be separate or readily identifiable from the records of any other business that is conducted in the office of the loan broker.

Co-Brokering FHA Loans

- Fees Charged by Non-Approved Broker
 - While FHA regulations (see 24 CFR 203.27(e)) permit a borrower to engage a broker who is not FHA-approved to assist in obtaining mortgage financing, the loan origination services *may not* be performed by that broker and the FHA approved mortgagee shall not compensate the broker for such services. FHA requires that these services be performed by either an FHA-approved lender or loan correspondent.

Co-Brokering FHA Loans

- Further, under no circumstances may a borrower be charged a fee that is *not* commensurate with the amount normally charged for similar services. If the payment bears no reasonable relationship to the market value of the services provided, the excess over the market rate may be used as evidence of a compensated referral or unearned fee in violation of section 8(a) or (b) of RESPA and 24 CFR 3500.14(g).

RESPA

- Section 8 of RESPA prohibits a person from giving or accepting any thing of value for referrals of settlement service business related to a federally related mortgage loan. It also prohibits a person from giving or accepting any part of a charge for services that are not performed.

RESPA

- Disclosure of YSP earnings
 - Must at least state “YSP”
 - Range of earnings is acceptable
- Affiliated Business Disclosure

Truth-In-Lending Act

- 15 USC 1601 – Regulation Z
Prepaid Finance Charges Section 226.2(23)
 - Origination or Discount Points
 - Underwriting fees
 - Tax Service Fees
 - Processing fees
 - Closing fees

TILA Advertising

Advertising Disclosures

- If the advertisement states a rate of finance charge, is it stated as an “APR”? [226.24(b)]
- If the APR is stated and may be increased after consummation, does the advertisement state that fact? [226.24(b)]

TILA Advertising

- If triggering terms were used [226.24(c)(1)], did the ad include:
 - The down payment [226.24(c)(2)(i)]
 - The repayment terms? [226.24(c)(2)(ii)]
 - The APR? [226.24(c)(2)(iii)]
 - The fact that the APR may be increased after consummation, if applicable? [226.24(c)(2)(iii)]

ECOA

- Notice of Action Taken
 - Time frame
 - When clock starts
 - Required content
 - » Outside source disclosure

Application Defined

A creditor is encouraged to provide consumers with information about loan terms. However, if in giving information to the consumer the creditor also **evaluates** information about the applicant, decides to **decline** the request, and **communicates** this to the applicant, the creditor has treated the inquiry as an application and must then comply with the [adverse action] notification requirements under Section 202.9. **Whether the inquiry becomes an application depends on how the creditor responds to the applicant, not on what the applicant says or asks.**

Mortgage Loan Pre-qualifications
Application or Not?
FDIC

House Enrolled Act 1646

- Definitions

- Loan Broker: any person who, in return for any consideration from any source procures, attempts to procure, or assists in procuring, a residential mortgage loan from a third party or any other person, whether or not the person seeking the loan actually obtains the loan.

- Mortgage loan origination activities:
performing any of the following activities
for compensation or gain in connection
with a residential mortgage loan:
 - (1)Receiving or recording a borrower's or potential
borrower's residential mortgage loan
application information in any form for use in a
credit decision by a creditor.
 - (2)Offering to negotiate or negotiating terms of a
residential mortgage loan.

Licensed vs. Registered

- Licensed Mortgage Loan Originator
 - Works for state-licensed entity (SOS or DFI)
- Registered Mortgage Loan Originator
 - Works for federally licensed entity

- Principal manager : an individual who
 - (1) has at least three (3) years of experience:
 - (A) as a loan broker; mortgage loan originator; or
 - (B) in financial services;
 - that is acceptable to the commissioner;

And

- (2) is principally responsible for the supervision and management of the employees and business affairs of a loan broker licensee.

– Bona fide third party fees :

- Real Estate Appraisals.
- Fees for title examination, abstract of title, title insurance, property surveys, or similar purposes.
- Notary and credit report fees.
- Fees for the services provided by a loan broker in procuring possible business for a creditor if the fees are paid by the creditor.

- Branch office : any fixed physical location from which a loan broker licensee holds itself out as engaging in the loan brokerage business.
 - Sign in window or on building
 - Business cards reflecting address
 - Reference to address on website
 - Reference to address on loan documents

- Loan processor or underwriter: an individual who
 - is employed by a loan broker licensee and acts at the direction of, and subject to the supervision of, the loan broker licensee or a licensed principal manager employed by the loan broker licensee; and
 - performs solely clerical or support duties on behalf of the loan broker licensee, including any of the following activities with respect to a residential mortgage loan application received by the loan broker licensee.

- The receipt, collection, distribution, and analysis of information commonly used in the processing or underwriting of a residential mortgage loan.
- Communicating with a borrower or potential borrower to obtain the information necessary for the processing or underwriting of a residential mortgage loan, to the extent that the communication does not include:
 - » offering or negotiating loan rates or terms; or
 - » counseling borrowers or potential borrowers about residential mortgage loan rates or terms.

- A person may not engage in the loan brokerage business in Indiana unless the person first obtains a loan broker license from the commissioner. Any person desiring to engage or continue in the loan brokerage business shall apply to the commissioner for a loan broker license under this chapter.

- An individual may not perform origination activities act as a mortgage loan originator or principal manager in Indiana on behalf of a person licensed or required to be licensed as a loan broker under this chapter unless the individual first obtains a certificate of registration unique identifier from the NMLS and a mortgage loan originator license from the commissioner.

Graduated Bond Amounts

- \$50,000 < \$5 million closed prior year
- \$60,000 > \$5 million < \$20 million
- \$75,000 > \$20 million

- Every three (3) years, beginning with the third calendar year following the calendar year in which an initial license is issued under this chapter, the commissioner shall require each:
 - equitable owner
 - mortgage loan originator; or
 - principal manager;
- FBI background checks

- The commissioner shall require each applicant for licensure as:
 - (1) a mortgage loan originator; or
 - (2) a principal manager;to submit written authorization for the commissioner or an agent of the commissioner to obtain a consumer report (as defined in IC 24-5-24-2) concerning the applicant.

- Credit report review:
 - (1) Bankruptcies filed by the individual within the most recent ten (10) years.
 - (2) Current outstanding civil judgments against the individual, except judgments resulting solely from medical expenses owed by the individual.
 - (3) Current outstanding tax liens or other government liens or filings.
 - (4) Foreclosure actions filed within the most recent three (3) years against property owned by the individual.
 - (5) Any pattern of seriously delinquent accounts associated with the individual during the most recent three (3) years.

Licensing Period

- Officially 1 year in statute
- Everyone expires on 12/31 of the year in which they are licensed unless approved in November or December, then will expire on 12/31 of the following year

The Commissioner may deny . . .

- an application for an initial or a renewal license, and may suspend or revoke the license of a loan broker licensee:
 - has, within the most recent ten (10) years:
 - been the subject of an adjudication or a determination to have violated the securities commodities, banking, financial services, insurance, real estate, or real estate appraisal laws of Indiana or any other jurisdiction;

- has:
 - been denied the right to do business in the securities, commodities, banking, financial services, insurance, real estate, or real estate appraisal industry; or
 - had the person's authority to do business in the securities, commodities, banking, financial services, insurance, real estate, or real estate appraisal industry
 - revoked or suspended;
 - » by Indiana or by any other state, federal, or foreign governmental agency or self regulatory organization;
- is insolvent;
- has violated any provision of this chapter;
- has knowingly filed with the commissioner any document or statement that:

- contains a false representation of a material fact;
 - fails to state a material fact; or
 - contains a representation that becomes false after the filing but during the term of a license;
- has been convicted, within ten (10) years before the date of the application, renewal, or review, of any crime, other than a felony, involving fraud or deceit;
 - if the person is a loan broker licensee or a principal manager, has failed to reasonably supervise the person's mortgage loan originators or employees to ensure their compliance with this chapter;
 - is on the most recent tax warrant list supplied to the commissioner by the department of state revenue; or
 - has engaged in dishonest or unethical practices in the loan brokerage business, as determined by the commissioner.

The Commissioner shall deny . . .

- an application for an initial or a renewal license and shall revoke the license of a licensee if the applicant:
 - has been convicted of or pleaded guilty to a felony:
 - during the seven (7) year period immediately preceding the date of the application or review;
or

- at any time preceding the date of the application or review if the felony involved an act of fraud or dishonesty, a breach of trust, or money laundering;
- fails to maintain the bond required under section 5(d) of this chapter;
- fails to demonstrate the financial responsibility, character, and general fitness necessary to:
 - command the confidence of the community in which the applicant or licensee engages or will engage in the loan brokerage business; and

- warrant a determination by the commissioner that the applicant or licensee will operate honestly, fairly, and efficiently within the purposes of this chapter;
- has failed to meet the education requirements
- has failed to pass the written examination;
or
- fails to:
 - keep or maintain records in accordance with section 18 of this chapter; or
 - allow the commissioner or an agent appointed by the commissioner to inspect or examine a loan broker licensee's books and records to determine compliance with section 18 of this chapter.

Administrative Actions

- Censure:
 - a licensee;
 - an officer, a director, or an ultimate equitable owner of a loan broker licensee; or
 - any other person;
 who violates or causes a violation of this chapter;
- Permanently bar any person from being:
 - licensed under this chapter; or
 - employed by or affiliated with a person licensed under this chapter;
 if the person violates or causes a violation of this chapter.

Pipeline Report

Lists all residential mortgage loans, including pending loans and loans that were not closed. The report required by this subdivision must be searchable by, or organized according to, the borrower's last name and must include the following information:

- The name and address of the borrower or potential borrower.
- The name of the creditor.
- The name of the mortgage loan originator.
- The loan amount.
- The status of the loan, including the date of closing or denial by the creditor.
- The interest rate for the loan.

Licensee outside state

The records must be:

- made available at a location that is:
 - located in Indiana; and
 - accessible to the securities division; or
 - maintained electronically and made available to the securities division not later than ten (10) business days after a request by the securities division to inspect or examine the records.

Report on Condition

- Each loan broker licensee shall submit, at such times as the commissioner may require, reports of condition to:
 - (1) the commissioner; and
 - (2) the NMLS.

A report required by this section shall be in such form and contain such information as the commissioner may require.

A person may not...

- Knowingly bribe, coerce, or intimidate another person to corrupt or improperly influence the independent judgment of a real estate appraiser with respect to the value of any real estate offered as security for a residential mortgage loan.
- Violate any of the following:
 - The federal Truth in Lending Act
 - The federal Real Estate Settlement Procedures Act
 - The federal Equal Credit Opportunity Act
 - Any other federal law or regulation concerning residential mortgage lending.

Principal Manager

- The licensed principal manager employed at a principal or branch office of a loan brokerage business shall supervise all employees at that location. If a licensed mortgage loan originator works from a location that is not a principal or branch office of a loan brokerage business, the mortgage loan originator shall be supervised by the principal manager employed at the principal or branch office at which the mortgage loan originator's loan files are sent.

Processor or Underwriter

- An individual that acts solely as a loan processor or underwriter shall not represent to the public through:
 - advertising; or
 - other means of communicating or providing information, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items;
 - that the individual may or will perform mortgage loan origination activities or otherwise act as a mortgage loan originator.

Education Requirements

- 20 Hours approved by the NMLS
 - 3 hours federal laws and regulations
 - 3 hours ethics including instruction on fraud, consumer protection, and fair lending practices
 - 2 hours of training concerning lending standards for nontraditional residential mortgage loan products
 - 2 hours of state laws and regulations
- 8 Hours Continued Education per year

Assessment

- Originators complete NMLS Assessment
- Principal Managers complete both NMLS and Principal Manager assessments

Cooperation with DFI

- The securities division may cooperate with the Indiana department of financial institutions in the regulation of a licensee that conducts:
 - (1) business under this article; and
 - (2) business that requires licensure under IC 24-4.4.

Report to NMLS

The commissioner is required to regularly report:

- (1) violations of this chapter; and
- (2) enforcement actions and other relevant information.

The commissioner shall establish a process by which a mortgage loan originator may challenge information entered into the NMLS.

Age Violations

A person who knowingly violates section 1 of this chapter commits a Class B felony if the person harmed, defrauded, misled, or deceived by the violation is at least sixty (60) years of age.

All exemptions removed 7/09

- Attorneys
- Broker-Dealers
- Investment Advisors
- CPA's
- Truth-In-Lending Act

Web Site Navigation

- Statutes
- “E” Newsletter

NMLS Streamlined Renewal

November 1, 2009 –
December 31, 2009

Who Renews?

- All current licensees
 - All companies
 - All individuals

When should my renewal be submitted?

- It is recommended that your renewal be submitted before December 1, 2009
 - This is to allow for processing time

Who can renew on the NMLS?

- Only companies and individuals who have successfully transitioned onto the NMLS
 - Non-transitioned entities will be New Applicants on the NMLS
 - Renewal requirements will still apply
 - It is recommended that you correct your jurisdiction checklist to reflect your circumstances (see following example)
 - Checklists trigger the review process, without a checklist a review may not be conducted

Companies



Renewal

New Application Checklist
Jurisdiction-Specific Requirements



INDIANA-SOS LOAN BROKER LICENSE

Instructions

- Each branch location wherever located, desiring to conduct business in Indiana must be separately authorized and will require a filing of Form MU3 through NMLS.
- Each originating individual needs to be separately authorized and will require a filing of Form MU4 through NMLS. After the MU4 is submitted, the company must submit a sponsorship request to the regulator before the individual MU4 license will be approved. A quick guide entitled "Create a Company Sponsorship" at the following link will help walk you through this process: [NMLS Quick Guides](#).
- A principal manager is required to be registered for all locations where the licensee conducts business with consumers. This individual may be referred to as the Branch Manager or Principal Manager and must be listed as the "Qualifying Individual" on Form MU1, and his/her business address must match the address for the location in which they work. The Principal Manager must also be licensed by filing Form MU4 through NMLS.
- Registered Agent: Every applicant for licensure shall appoint the Secretary of State to be the applicant's agent to receive service of any lawful process.
- Total License costs: \$300.00, which includes the NMLS processing fee. Additional charges for Ultimate Equitable Owner are payable outside the NMLS and are noted in the checklist below.
- All fees are collected through the NMLS except the Ultimate Equitable Owner fees and ARE NOT REFUNDABLE.
- The regulator will review the filing and all required documents and communicate with you through the NMLS. To review your status in the NMLS, click the Composite View Tab and View Individual.
- Jurisdiction-specific requirements as identified on the checklist below must be received with this checklist within 5 business days of the electronic submission of your application through the NMLS at the following:

For U.S. Postal Service or Overnight Delivery:

Indiana Secretary of State
Securities Division
302 W. Washington St.
Room E-111
Indianapolis, IN 46204

NMLS Unique ID Number: _____

Applicant Legal Name: _____

ATTACHED	NOT APPLICABLE	ITEM
<input type="checkbox"/>	<input type="checkbox"/>	SURETY BOND. Provide an original bond in the amount of \$50,000 furnished by a surety company authorized to conduct business in Indiana. The name of the principal insured must be the name of the applicant. The bond term should extend until the end of the year following application. Use the surety bond form found below http://www.in.gov/icpr/webfile/formsdiv/53305.pdf . The power of attorney for the bond must also be included. New graduated amounts, see renewal checklist
<input type="checkbox"/>	<input type="checkbox"/>	SECRETARY OF STATE DOCUMENTATION. A copy of: <ul style="list-style-type: none"> The Corporate Charter or Articles of Incorporation (if a corporation), or The Articles of Organization and Operating Agreement (if a Limited Liability Company), or The Partnership Agreement (if a partnership of any form);
<input type="checkbox"/>	<input type="checkbox"/>	ULTIMATE EQUITABLE OWNER(S). \$100.00 for each ultimate equitable owner. Checks are made payable to the Secretary of State. Ultimate Equitable Owners who are also registering as originators or principal managers are only required to obtain the FBI background check once.
<input type="checkbox"/>	<input type="checkbox"/>	ENTITY NAME. Entity's name and any assumed business name(s) must be registered with the Indiana Secretary of State, Business Services Division. www.in.gov/sos/business/corps/searches.html
<input type="checkbox"/>	<input type="checkbox"/>	FBI BACKGROUND CHECKS. For each control person, equitable owner(s), director(s), manager(s) or officer(s) provide an FBI background check issued by the Federal Bureau of Investigations (FBI). Please see the instructions on obtaining the FBI criminal background check for more detail. http://www.in.gov/sos/3368.htm
<input type="checkbox"/>	<input type="checkbox"/>	DISCLOSURE QUESTIONS. Provide complete details of all events or proceeding for any "Yes" answer to any of the Disclosure questions for the company or any Control Person and provide a copy of any applicable orders or documents.

WHO TO CONTACT – Contact [Indiana Secretary of State, Securities Division](#) licensing staff by phone at [317-232-6681](tel:317-232-6681) or send your questions via e-mail to eiwise@sos.in.gov for additional assistance.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

Individuals



Renewal

New Application Checklist Jurisdiction-Specific Requirements

We will put your
state outline here.

INDIANA-SOS LOAN ORIGINATOR REGISTRATION

Instructions

- Each individual originating mortgages needs to be separately registered and will require a filing of Form MU4 through NMLS. After the MU4 is submitted, the company must submit a sponsorship request to the regulator before the individual MU4 license will be approved. A quick guide entitled "Create a Company Sponsorship" at the following link will help walk you through this process: [NMLS Quick Guides](#).
- Total License costs: \$80.00 which includes the NMLS set-up fee. Additional charges for the FBI background check and the Loan Originator assessment are payable outside the NMLS and are noted in the checklist below.
- All fees are collected through the NMLS except the FBI background check and assessment fees and ARE NOT REFUNDABLE.
- Complete 24 hours of live education; provide certificate(s) as noted in checklist below.
- Complete the Loan Originator Assessment and provide the passing certificate verifying the assessment was passed in the last 12 months. [Candidate Guide for Loan Originator Assessment](#).
- The regulator will review the filing and all required documents and communicate with you through the NMLS. To review your status in the NMLS, click the Tasks tab and click Work List.
- Jurisdiction-specific requirements as identified on the checklist below must be received with this checklist within 5 business days of the electronic submission of your application through the NMLS at the following:

For U.S. Postal Service or Overnight Delivery:
Indiana Secretary of State
Securities Division
302 W. Washington St.
Room E-111
Indianapolis, IN 46204

Updated: 8-19-09

Page 1 of 2

NMLS Unique ID Number: _____

Applicant Legal Name: _____

ATTACHED	NOT APPLICABLE	ITEM
<input type="checkbox"/>	<input type="checkbox"/>	FBI BACKGROUND REPORT. Include a copy of the receipt from the fingerprinting site once you have been fingerprinted. Please see the following instructions on obtaining the FBI criminal background check for more detail: FBI Criminal Background Report Instructions Only if you haven't yet _____
<input type="checkbox"/>	<input type="checkbox"/>	EDUCATION CERTIFICATES. Provide Certificates of Completion for all courses completed 6hrs of cont. ed. _____
<input type="checkbox"/>	<input type="checkbox"/>	ASSESSMENT RESULTS. Provide a copy of the passing results. Only if you haven't yet _____
<input type="checkbox"/>	<input type="checkbox"/>	DISCLOSURE QUESTIONS. Provide complete details of all events or proceeding for any "Yes" answer to any of the Disclosure questions and provide a copy of any applicable orders or documents. If you answered yes and it is new this time then explain, if you answered yes and it is for a previous disclosure you have already answered just make a note _____

WHO TO CONTACT – Contact [Indiana Secretary of State, Securities Division](#) licensing staff by phone at [317-232-6681](#) or send your questions via e-mail to ciwise@sos.in.gov for additional assistance.

THE APPLICANT/REGISTRANT IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE REGISTRATION FOR WHICH THEY ARE APPLYING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

Updated: 9-11-09

Page 2 of 2

STATE of INDIANA

Renewal Checklist

- There is one uniform checklist for all NMLS licensees
 - This checklist must be submitted for all companies and individuals to ensure the renewal is processed
 - License numbers should be written on the checklist

Uniform Checklist



Uniform Company Renewal Checklist

Instructions

1. In order to ensure processing before January 1st, license renewal requests are to be submitted to the regulator(s) by **December 1, 2009**. Review the checklist below to determine whether your State requires any documentation outside the system. If your jurisdiction does not require any documents outside of NMLS, there is no need to submit this checklist.
2. All jurisdiction specific requirements as identified on the checklist below must be received with this checklist within 5 business days of the electronic renewal submission at the address listed below.

NMLS Unique ID Number: _____

Applicant Legal Name: _____

CHECK IF APPLICABLE	STATE	AGENCY	ITEM(S)						
<input type="checkbox"/>	AZ	ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS 2910 N. 44 th Street #310 Phoenix, AZ 85018 602-771-2800	<ul style="list-style-type: none">• RENEWAL FEE FORM. SUBMIT which includes Responsible Individual, CE, and Inactive Status Instructions• Financial Statement Form <p><u>Click here for the Forms</u></p> <ul style="list-style-type: none">• ALL SOLE PROPRIETORS FORM (Click Below) <u>http://azdfi.gov/Licensing/Forms/Arizona_Statement_Citizenship_Allen_Status_for_State_Public_Benefits.pdf</u>						
<input type="checkbox"/>	AR	ARKANSAS SECURITIES DEPARTMENT 201 East Markham, Suite 300 Heritage West Bldg. Little Rock, AR 72203 501-324-5260	<ul style="list-style-type: none">• SURETY BOND. Present proof to the Commissioner that the surety bond required is still in effect.						
<input type="checkbox"/>	IN - SOS	INDIANA SOS SECURITIES DIVISION 302 W. Washington St. Rm. E111 Indianapolis, IN 46204 317-232-6681	<ul style="list-style-type: none">• SURETY BOND. Provide an original bond for the appropriate graduated amount that is determined by the company's previous year's volume of origination activities<table><tr><td>\$50,000</td><td>Less than \$5 Million</td></tr><tr><td>\$60,000</td><td>More than \$5 Million less than \$20 Million</td></tr><tr><td>\$75,000</td><td>More than \$20 Million</td></tr></table>	\$50,000	Less than \$5 Million	\$60,000	More than \$5 Million less than \$20 Million	\$75,000	More than \$20 Million
\$50,000	Less than \$5 Million								
\$60,000	More than \$5 Million less than \$20 Million								
\$75,000	More than \$20 Million								

Updated: 9.15.09

<input type="checkbox"/>			<p>Use the following form: Surety Bond Form. The power of attorney for the bond must also be included.</p> <ul style="list-style-type: none"> ULTIMATE EQUITABLE OWNER(S). \$100.00 for each ultimate equitable owner. Checks are made payable to the Secretary of State. If the owner has never had an FBI background check submitted through our office then click Federal Criminal Background Report: Explanation and Instructions for instructions on obtaining a report. Include with this checklist the receipt for the report. <p>For complete details, click the following link: Loan Broker Information</p>
<input type="checkbox"/>	IN-DFI	IN DFI INST DIVISION OF CONSUMER CREDIT 30 South Meridian St, #300 Indianapolis, IN 46204	<p>To renew an SLI license, return Form 45502 reporting volume from December 1, 2008 to November 30, 2009 after completing and printing the form at the following link: http://extranet.dfi.in.gov/renewal/NMLSRenew.aspx</p> <p>Follow all instruction on the form before filing.</p> <p>You will need to enter your Indiana issued LicID number to access your form. You may look up your LicID number at: http://extranet.dfi.in.gov/dfidb/nondeplist.aspx</p>
<input type="checkbox"/>	MA	MA DIV. OF BANKS ATN: MTG LENDER/BROKER LICENSING UNIT One South Station 3 rd FL Boston, MA 02110 617-955-1500 EXT 351	<ul style="list-style-type: none"> SURETY BOND. For Mortgage Lender and/or Mortgage Broker Bonds that expire December 31, 2009, will need to provide an original continuation certificate. For Mortgage Lender and/or Mortgage Broker Bonds that expire at any time OTHER than December 31, 2009, will need to submit a rider extending the bond through December 31, 2010. No other expiration dates will be accepted. Executed CORI Request Forms for all individuals who have an MU2 associated with your company - attached here
<input type="checkbox"/>	MS	MS DEPT. OF BANKING AND CONSUMER FINANCE ATTN: MORTGAGE DIVISION 501 N West Street 901A Woolfolk Bldg Jackson, MS 39201 602-644-2459	<ul style="list-style-type: none"> SURETY BOND. Original Continuation Certificate or original Surety Bond showing extended expiration date Continuing Ed Certificate for named principal officer.
<input type="checkbox"/>	PA	PENNSYLVANIA DEPARTMENT OF BANKING 17 N 2 nd Street Suite 1300 Harrisburg, PA 17101	<ul style="list-style-type: none"> Warehouse Line of Credit Penal Bond

Updated: 9.15.09

STATE of INDIANA



Uniform Individual Renewal Checklist

Instructions

The following list displays documentation to be mailed to the agency outside of NMLS for the 2010 Renewal Year. Any other requirements the state may have for testing or education must be satisfied following the process outlined on their Agency website. Please proceed to the Participating States page for further information.

Note: Those states that have the ability to accept information electronically from either the licensee or education provider will continue to do so following the current process outlined by the agency.

1. In order to ensure processing before January 1st, documentation should be submitted to the regulator(s) by December 1, 2009. Review the checklist below to determine whether your State requires any documentation outside the system. If your jurisdiction does not require any documents outside of NMLS, there is no need to submit this checklist.
2. All jurisdiction specific requirements as identified on the checklist below must be received with this checklist within 5 business days of the electronic renewal submission at the address listed below.

NMLS Unique ID Number: _____

Applicant Legal Name: _____

CHECK IF APPLICABLE	STATE	AGENCY	ITEM(S)
<input type="checkbox"/>	DE	STATE OF DELAWARE Office of the State Bank Commissioner 555 E. Lookerman St. Suite 210 Dover, DE 19901	<ul style="list-style-type: none">• Provide a credit report from 2009 with detailed explanation(s) of anything negative.
<input type="checkbox"/>	KY	KENTUCKY DEPARTMENT OF FINANCIAL INSTITUTIONS Emily.Draper@ky.gov Fitzgerald.Pam@ky.gov or Jackie.Stahman@ky.gov	<ul style="list-style-type: none">• Provide a certificate of completion verifying that 12 hours of state approved CE were completed within calendar year 2009.
<input type="checkbox"/>	IN – SOS	INDIANA SOS SECURITIES DIVISION 302 W. Washington St. Rm. E111 Indianapolis, IN 46204 317-232-8681	<ul style="list-style-type: none">• Provide a certificate of completion verifying that 6 hours of state approved CE were completed within calendar year 2009.

Updated: 9.15.09

			<ul style="list-style-type: none">• ASSESSMENT RESULTS. Provide a copy of the passing results unless already on file.• FBI Background Check unless already completed. <p>For complete details, click the following link: Loan Broker Information</p>
<input type="checkbox"/>	MS	MS DEPT. OF BANKING AND CONSUMER FINANCE ATTN: MORTGAGE DIVISION 501 N West Street 901A Woolfolk Bldg Jackson, MS 39201 800-844-2499	<ul style="list-style-type: none">• Provide a certificate of completion verifying that state approved CE were completed within calendar year 2009.
<input type="checkbox"/>	RI	RI DEPT. OF BUSINESS REG. DIVISION OF BANKING DEKBD@dbf.state.ri.us 401-482-9573	<ul style="list-style-type: none">• Provide a certificate of completion for 20 hrs of education from a RI approved facility for individuals who filed a license application prior to July 31, 2009
<input type="checkbox"/>	TN	TN DEPT. OF FINANCIAL INSTITUTIONS COMPLIANCE DIV. 414 Union Street, Suite 1000 Nashville, TN 37219 Askmortgage.licensing@tn.gov or (615) 253-6714	Unless fingerprints were submitted to TDFI in 2009, each mortgage loan originator conducting business in Tennessee shall undergo a fingerprint-based background check. Please see the TN website for specific in-state and out-of-state fingerprinting instructions.

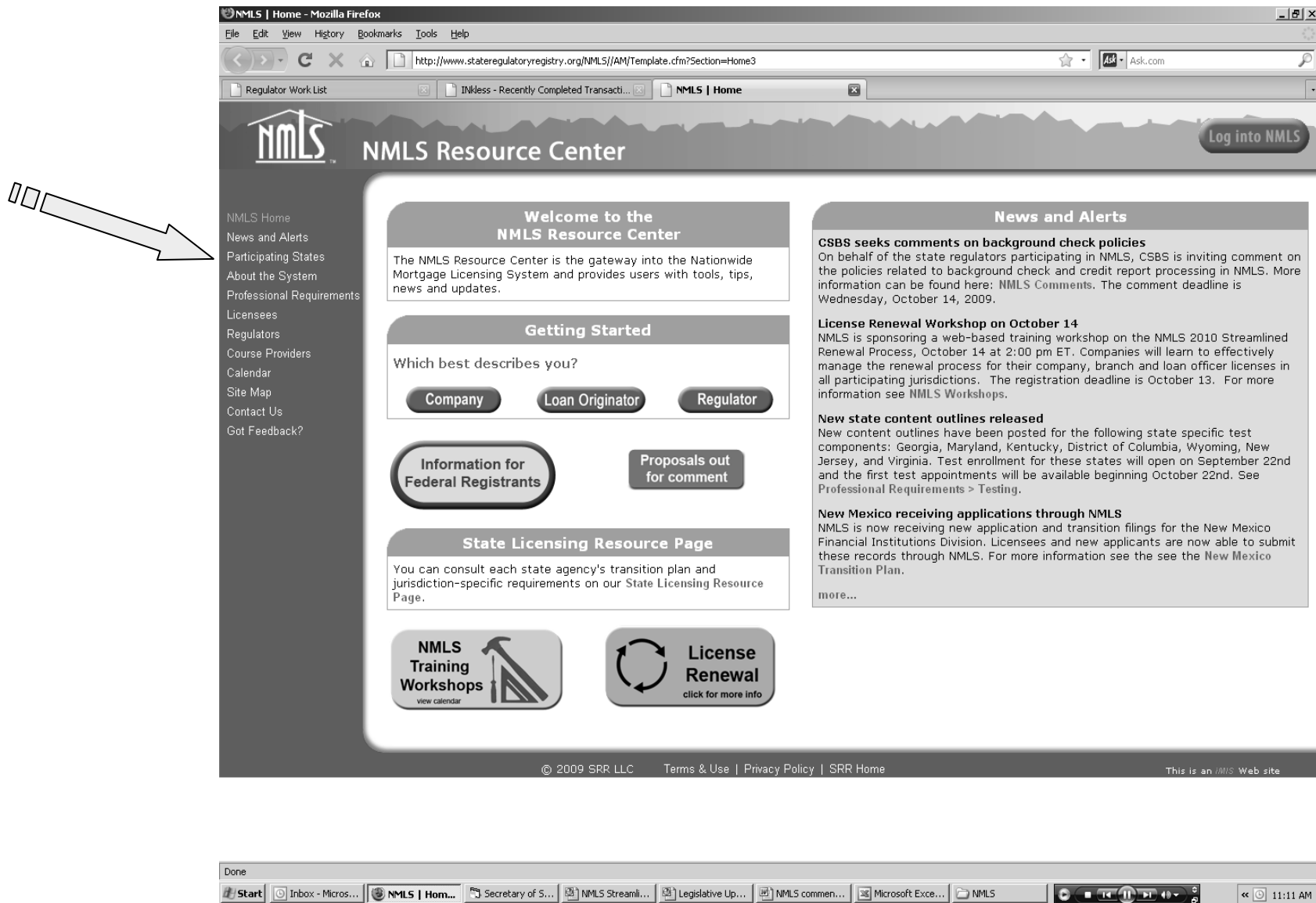
The following states are participating in the NMLS 2010 Streamlined Renewal process and do not require any documentation to be mailed outside of NMLS:

Arkansas
Connecticut
Idaho
Iowa
Louisiana
Massachusetts
Michigan
New Hampshire
North Carolina
North Dakota
New York
Pennsylvania
South Dakota
Washington

Updated: 9.15.09

STATE of INDIANA

How to find the Jurisdiction Checklist on NMLS



The screenshot shows the NMLS Resource Center website. The browser window is titled "NMLS | Home - Mozilla Firefox" and the address bar shows "http://www.stateregulatoryregistry.org/NMLS/AM/Template.cfm?Section=Home3". The website has a dark grey header with the NMLS logo and the text "NMLS Resource Center". A "Log into NMLS" button is in the top right. The left sidebar contains a list of links: "NMLS Home", "News and Alerts", "Participating States", "About the System", "Professional Requirements", "Licensees", "Regulators", "Course Providers", "Calendar", "Site Map", "Contact Us", and "Got Feedback?". A hand-drawn arrow points to the "NMLS Home" link. The main content area is divided into several sections: "Welcome to the NMLS Resource Center" with a brief description; "Getting Started" with a "Which best describes you?" question and buttons for "Company", "Loan Originator", and "Regulator"; "Information for Federal Registrants" and "Proposals out for comment" buttons; "State Licensing Resource Page" with a description of state agency transition plans; "NMLS Training Workshops" with a "view calendar" link; and "License Renewal" with a "click for more info" link. The "News and Alerts" section on the right contains three articles: "CSBS seeks comments on background check policies", "License Renewal Workshop on October 14", and "New state content outlines released". The footer includes copyright information "© 2009 SRR LLC" and links for "Terms & Use", "Privacy Policy", and "SRR Home". The taskbar at the bottom shows various open applications including "Inbox - Micros...", "NMLS | Hom...", "Secretary of S...", "NMLS Streamli...", "Legislative Up...", "NMLS commen...", "Microsoft Exce...", and "NMLS". The system clock shows "11:11 AM".

STATE of INDIANA

NMLS | State Licensing Map - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.stateregulatoryregistry.org/NMLS/AM/Template.cfm?Section=Participating_States1

Regulator Work List INkless - Recently Completed Transacti... NMLS | State Licensing Map

NMLS NMLS Resource Center Log into NMLS

State Licensing Resource Page

Use the map or list below to view a jurisdiction's transition plan, licenses and requirements. For a list of all transition deadlines, see [Transition Deadlines Chart](#).



- Alabama
- Alaska
- Arizona
- Arkansas
- Connecticut
- Delaware
- District of Columbia
- Georgia
- Idaho
- Indiana DFI
- Indiana SOS
- Iowa
- Kentucky
- Louisiana
- Maryland
- Massachusetts
- Michigan
- Mississippi
- Nebraska
- New Hampshire
- New Mexico
- New York
- North Carolina
- North Dakota
- Oklahoma
- Pennsylvania
- Puerto Rico
- South Dakota
- Rhode Island
- Tennessee
- Vermont
- Virginia
- Washington
- Wyoming

© 2009 SRR LLC Terms & Use | Privacy Policy | SRR Home This is an NMLS Web site

Done

Start Inbox - Micros... NMLS | State L... Secretary of S... NMLS Streamli... Legislative Up... NMLS commen... Microsoft Exe... NMLS

11:14 AM

STATE of INDIANA

NMLS | Indiana SOS - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=Indiana_SOS

Regulator Work List INkless - Recently Completed Transacti... NMLS | Indiana SOS

NMLS NMLS Resource Center Log into NMLS

NMLS Home
News and Alerts
Participating States
About the System
Professional Requirements
Licensees
Regulators
Course Providers
Calendar
Site Map
Contact Us
Got Feedback?

Indiana Secretary of State

Electronic filings through NMLS will not be approved unless all required items on the appropriate checklist below are received by the regulator.

Check state agency website for complete information: [Indiana Secretary of State](#)

Company Licenses	Description	Requirements Checklist
Loan Broker License	This license is required of any company or sole proprietorship, who for compensation or gain, or in the expectation of compensation or gain, directly or indirectly negotiates, places, assists in placement, finds or offers to negotiate, places, assists in placement or finds mortgage loans in Indiana residential property for others or offers to negotiate, place, assist in placement or find mortgage loans in Indiana. (More details)	New Application Amendment Surrender
Loan Broker Branch Registration	This registration is required of any company or sole proprietorship, who for compensation or gain, or in the expectation of compensation or gain, directly or indirectly negotiates, places, assists in placement, finds or offers to negotiate, places, assists in placement or finds mortgage loans in Indiana residential property for others or offers to negotiate, place, assist in placement or find mortgage loans in Indiana. (More details)	New Application Amendment Surrender
Individual Licenses	Description	Requirements Checklist
Loan Originator Registration	This registration is required of any individual involved in origination activities with a loan broker. (More details)	New Application Amendment Surrender
Principal Manager Registration	This registration is required of any individual involved in origination activities with a loan broker who oversees the day to day operations of a given location. The individual has satisfied the minimum three (3) year experience requirement under Ind. Code § 23-2-5-5(c)(8). (More details)	New Application Amendment Surrender

All license information is for guidance only and is made without any warranties.

© 2009 SRR LLC Terms & Use | Privacy Policy | SRR Home This is an NMLS Web site

http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=Indiana_SOS&Template=/CM/ContentDisplay.cfm&ContentID=24833

Start Inbox - Micros... NMLS | India... Secretary of S... NMLS Streamli... Legislative Up... NMLS commen... Microsoft Exce... NMLS

11:17 AM

STATE of INDIANA

How to find the Uniform Renewal Checklist

NMLS | Home - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.stateregulatoryregistry.org/NMLS/JAM/Template.cfm?Section=Home3

Regulator Work List InKless - Recently Completed Transacti... NMLS | Home

NMLS NMLS Resource Center Log into NMLS

Welcome to the NMLS Resource Center

The NMLS Resource Center is the gateway into the Nationwide Mortgage Licensing System and provides users with tools, tips, news and updates.

Getting Started

Which best describes you?

Company **Loan Originator** **Regulator**

Information for Federal Registrants **Proposals out for comment**

State Licensing Resource Page

You can consult each state agency's transition plan and jurisdiction-specific requirements on our State Licensing Resource Page.

NMLS Training Workshops **License Renewal**

News and Alerts

CSBS seeks comments on background check policies

On behalf of the state regulators participating in NMLS, CSBS is inviting comment on the policies related to background check and credit report processing in NMLS. More information can be found here: NMLS Comments. The comment deadline is Wednesday, October 14, 2009.

License Renewal Workshop on October 14

NMLS is sponsoring a web-based training workshop on the NMLS 2010 Streamlined Renewal Process, October 14 at 2:00 pm ET. Companies will learn to effectively manage the renewal process for their company, branch and loan officer licenses in all participating jurisdictions. The registration deadline is October 13. For more information see NMLS Workshops.

New state content outlines released

New content outlines have been posted for the following state specific test components: Georgia, Maryland, Kentucky, District of Columbia, Wyoming, New Jersey, and Virginia. Test enrollment for these states will open on September 22nd and the first test appointments will be available beginning October 22nd. See Professional Requirements > Testing.

New Mexico receiving applications through NMLS

NMLS is now receiving new application and transition filings for the New Mexico Financial Institutions Division. Licensees and new applicants are now able to submit these records through NMLS. For more information see the see the New Mexico Transition Plan.

more...

© 2009 SRR LLC Terms & Use | Privacy Policy | SRR Home This is an NMLS Web site

Done

Start | Inbox - Micros... | NMLS | Hom... | Secretary of S... | NMLS Streamli... | Legislative Up... | NMLS commen... | Microsoft Exce... | NMLS

11:11 AM

STATE of INDIANA

NMLS | License Renewals - Mozilla Firefox


File Edit View History Bookmarks Tools Help

http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=Renewals

Regulator Work List INkless - Recently Completed Transacti... NMLS | License Renewals

NMLS NMLS Resource Center Log into NMLS



NMLS Home
News and Alerts
Participating States
About the System
Professional Requirements
Licensees
Getting Started
Using NMLS
MU Forms
How to Get Help
Loan Originator
Regulators
Course Providers
Calendar
Site Map
Contact Us
Got Feedback?

 **NMLS 2010 Streamlined Annual Renewals**

NMLS has streamlined the annual license renewal process. Company and individual licensees who have kept their record up to date will be able renew their license(s) in a few steps. The NMLS 2010 Streamlined Renewal Process will begin **November 1st** and end **December 31st (11:59 p.m. ET, 8:59 p.m. PT)**. Deadlines for renewal submissions vary by state. Consult the [State Renewal Information Page](#) for dates and details by jurisdiction.

For more, go to [Renewal Steps](#) or choose one of the items below.

Make the renewal process simple - Keep your information in NMLS up to date!

Want more details about Renewal?

- [Renewal Steps](#) - an outline of the NMLS 2010 Streamlined Renewal Process
- [State Renewal Information Page](#) - a list of states participating in the NMLS 2010 Streamlined Renewal Process and their submission deadlines
- [Company Checklist | Individual Checklist](#) - these Uniform Renewal Checklists outline information or documentation states require that must be mailed outside of NMLS during renewal
- [Renewal Fees](#) - a chart listing renewal fees by state by license type
- [Training Workshops](#) - NMLS is sponsoring several web-based workshops to help companies with renewal

© 2009 SRR LLC Terms & Use | Privacy Policy | SRR Home This is an NMLS Web site

Done

Start Inbox - Micros... NMLS | Licen... Secretary of S... NMLS Streamli... Legislative Up... NMLS commen... Microsoft Exce... NMLS

11:27 AM

STATE of INDIANA

NMLS | Renewal Steps - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=Renewals&Template=/CM/ContentDisplay.cfm&ContentID=18093

Regulator Work List INkless - Recently Completed Transacti... NMLS | Renewal Steps

Renewal Steps

The steps below outline the NMLS 2010 Streamlined Renewal Process. The process is easy if you have kept your NMLS record up to date.

Step 1 - Confirm that your license is in an approved status

Company, Branch and Individual licenses must be in an "approved status" in order to be eligible to renew. If your license is not in an approved status, clear any outstanding requirements and deficiencies.

To check your current license status and review requirements and deficiencies placed by a state agency, follow the instructions in the [License Status Quick Guide](#).

If your license is not in an approved status and there are no outstanding deficiencies or requirements, **contact your state agency**.

Step 2 - Keep your record up to date

Records must be up to date at time of renewal. Any amendments or changes to your company, branch or individual record should be made prior to renewal.

Step 3 - State requirements outside NMLS

Review the appropriate Uniform Renewal Checklist to determine documentation required to be submitted outside of NMLS at time of renewal.

[Company Uniform Renewal Checklist](#)
[Individual Uniform Renewal Checklist](#)

Consult the [State Renewal Information Page](#) to view submission deadlines by jurisdiction.

NOTE: Annual Reports are not required as part of the NMLS 2010 Streamlined Renewal Process. States requiring an annual report in 2010 will notify their licensees.

Step 4 - Requesting Renewal

Beginning **November 1st**, companies can login to NMLS and request renewal of their license(s) or indicate which licenses they do not intend to renew. Individuals who are not sponsored by a company are responsible for their own renewal. Individuals who are sponsored should speak with their companies to determine whether the company will request renewal themselves or if their company will help them with this process. The Renewal Period will begin **November 1st** and end **December 31st (11:59 p.m. ET, 8:59 p.m. PT)**.

Payment of the State Licensing/Registration Renewal Fee and NMLS Processing Fee will be required in order to submit. For fee information see the [Renewal Fee Chart](#).

Done

Start | Inbox - Micros... | NMLS | Rene... | Secretary of S... | NMLS Streamli... | Legislative Up... | NMLS commen... | Microsoft Exce... | NMLS

11:31 AM

Required New Bond Form

- Submit an original of new bond with POA
- Expiration date removed
- Intended to be perpetual
- Amount field is blank to allow for graduated amount
 - \$50,000 Less than \$5 Million
 - \$60,000 More than \$5 Million less than \$20 Million
 - \$75,000 More than \$20 Million
- See following example



LOAN BROKER BOND
State Form 53305 (9-09)

Todd Pokita
Indiana Secretary of State
Securities Division
302 W. Washington Street, E-111
Indianapolis, Indiana 46204
(317)252-6681

BOND NUMBER:

VALIDATION DATE

FROM:

SURETY PHONE NUMBER

KNOW ALL MEN BY THESE PRESENTS:

That we, _____, of _____
(Name of Loan Broker Business) (City)

in the state of _____, and _____ a corporation organized and existing
(Name of Surety)

under and by virtue of the laws of the State of _____, and duly authorized to transact the business of indemnity and suretyship in the State of Indiana, for the use and benefit of all persons damaged by the breach of any of the conditions of this obligation, in the sum of _____ Dollars, lawful money of the United States for the payment of which sum, will and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THE ABOVE OBLIGATION ARE SUCH THAT:

WHEREAS, the above bounden Loan Broker has made application to the Securities Commissioner of the State of Indiana for license as a loan broker under the provision of IC 23-2-5 and is required by the provisions of said Law to furnish a surety bond in the sum above named, conditioned as herein set forth.

NOW, THEREFORE, if the said Loan Broker shall faithfully comply with the provisions of IC 23-2-5 and shall pay to any person entitled thereto all damages as may be caused to such person by the failure of the Loan Broker to faithfully comply with the provisions of said Act; and if said Loan Broker shall pay to any person entitled thereto all damages as may be caused to any person together with all penalties provided by IC 23-2-5-15 then this obligation shall be void; otherwise it shall remain in full force and effect.

This bond is subject to the following provisions:

1. Any person who sustains such damages as covered by this bond may bring an action upon this bond; provided, however, that the aggregate liability of the said Surety to all such persons shall, in no event, exceed the amount of the bond.
2. This bond shall be and remain in full force and effect indefinitely, subject however, to cancellation by the said Surety giving written notice both to the said Loan Broker and the Securities Commissioner of Indiana thirty (30) days prior to the effective date thereof, of its intention to terminate its liability under this bond or until the license of said Loan Broker as such loan broker is terminated either by expiration without renewal or by revocation for any cause.
3. Every person who has a cause of action under IC 23-2-5 may bring action upon this bond to enforce any liability on the bond providing, however, that no suit on this bond may be maintained to enforce any liability on this bond unless brought within two (2) years after the act upon which it is based.

IN WITNESS WHEREOF, the parties hereto have set their hand and seals this _____ day
of _____.

Surety
By: _____
its: _____
(Title)

Loan Broker
By: _____
its: _____
(Title)

STATE of INDIANA

Amendments

- Amendments to filings should be completed prior to renewal to ensure faster processing of renewals

Deficiencies/License Items

- Deficiencies should be corrected prior to renewal
 - Failure to correct could delay/prevent renewal

How to view deficiencies

- For assistance in accessing your filing you need to call the NMLS call center
 - 240-386-4444
- Once you have determined if you have any deficiencies and you have questions after reviewing our notes you may call our office
 - 317-232-6681

Common Deficiencies

- Companies
 - Registered agent section of MU1
 - Entity name on MU1 does not match exactly the bond and business entity filing with Business Services
 - Principal Manager needs to be listed as Qualifying Individual on MU1
 - Company must sponsor all loan originators and principal managers
 - Original bond and power of attorney required
 - Jurisdiction participation-INSOS

Common Deficiencies

- Individuals
 - Jurisdiction participation-INSOS
 - Current employer needs to be address of location in which you work
 - Cannot hold both an LO and PM registration at same time
 - Disclosure questions-if there is a yes answer and it has been explained previously let us know that it is not new
 - If it is new then explain, submit documentation
 - Education not up to date-vendors do NOT send any updates to the Division

Verification of License

- Certificates will not be issued
- Public access is available on Secretary of State's website
 - sos.in.gov/securities
- Public access on the NMLS should be available in 1st quarter 2010
- Lenders and borrowers should be directed to our website until NMLS public access is available

How do I transfer?

- Transfers are handled via sponsorships
 - Terminate old sponsorship and relationship
 - Have new employer sponsor you
 - Amend employment history to reflect change
- Keep in mind that terminating a sponsorship does not terminate the relationship

NMLS Call Center

- They can tell you how to do something
- You must know what you need to do
- They cannot explain state requirements outside of the details that are already available to you
- As the end of the year approaches the wait times will be longer
- NMLS does not issue refunds

Items To Keep Track Of

- Your current license status and license number
- Record of your education (we only need copies)
- Any assessments completed and dates completed
- Whether or not you have submitted an FBI background report and the date submitted

Future Updates and Enhancements

- Jurisdiction items phased out gradually
 - Paperless
- Enhancements will occur over the next few years
 - Education and testing will be paperless in 2010
 - SAFE requirements begin January 1, 2010
 - Education is grandfathered